# **EXHIBIT A**

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SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, ESSEX COUNTY
DOCKET NO.

MATTHEW J. PLATKIN, Attorney General of the State of New Jersey, and CARI FAIS, Director of the New Jersey Division of Consumer Affairs,

Civil Action

Plaintiffs,

v.

#### VERIFIED COMPLAINT

DISCORD INC.,

Defendant.

Plaintiffs Matthew J. Platkin, Attorney General of the State of New Jersey ("Attorney General") with offices located at 124 Halsey Street, Fifth Floor, Newark, New Jersey, and Cari Fais, Director of the New Jersey Division of Consumer Affairs ("Director"), with offices located at 124 Halsey Street, Seventh Floor, Newark, New Jersey, (collectively, "Plaintiffs") by way of Complaint state:

#### PRELIMINARY STATEMENT

1. Discord, Inc. ("Discord" or "Defendant") owns and operates a voice, video, and text communication application that runs on desktop and mobile operating systems (the "Application"). Since its inception in May 2015, the Application has become one of the most

popular online social platforms in the world, especially among children. Millions of children use Discord's Application every day simply to "hang out with their friends and play games." Discord built this massive user base by touting its Application as a "safe space for teens," claiming that it "makes [its] products safe spaces by design and default." But Discord has deceived children and parents about the efficacy of the Application's safety features, leaving children vulnerable to harassment, abuse, and sexual exploitation by predators who lurk on the platform.

- 2. Discord sets few roadblocks between children that use the Application and malicious actors that may seek to harm them. The Application is intentionally designed to maximize interaction between users. By default, Discord allows all users—regardless of age, and who navigate the Application under chosen display names—to receive friend requests from anyone on the Application, even users they do not know. Users can also engage with each other on servers, virtual communities that any user can create, some of which—like the official servers for games like Fortnite<sup>2</sup> and Minecraft<sup>3</sup>—have more than a million members. Once connected, either as "friends" or as members of the same server, users can exchange private direct messages with one another.
- 3. Together, these open design features and default settings make it so that anyone can gain direct, private access to a child user with just a few clicks. Both consumer complaints and public reporting show that predators have used that private access to groom and sexually exploit

<sup>&</sup>lt;sup>1</sup> A Pew Research survey conducted in 2023 identified Discord as the sixth most popular social application among children aged 13 to 17. 28% of children between the ages of 13 to 17 surveyed by Pew identified themselves as Discord users. <u>Teens, Social Media and Technology 2023</u>, Pew Research Center, https://www.pewresearch.org/internet/2023/12/11/teens-social-media-and-technology-2023/ (last visited Apr. 16, 2025).

<sup>&</sup>lt;sup>2</sup> Official Fortnite, Discord, https://discord.com/servers/official-fortnite-322850917248663552 (last visited Apr. 14, 2025).

<sup>&</sup>lt;sup>3</sup> Minecraft Discord Server Invitation, available at https://discord.com/invite/minecraft (last visited Apr. 14, 2025).

children, as well as to circulate gory and violent imagery. Nevertheless, Discord assured children and parents that its Application was safe to use, and that it employed safety settings that could keep direct messages safe. But Discord knew that its claims were not true.

4. Discord misled users and parents to believe that the Application's Safe Direct Messaging feature—and the software that replaced it—was designed to automatically scan and delete all private messages containing explicit media content. But Discord knew that

By default, direct

messages between "friends" were not scanned at all. But even when Safe Direct Messaging filters were enabled, children were still exposed to child sexual abuse material, videos depicting violence or terror, and other harmful content. Moreover, none of the Safe Direct Messaging filters scanned text, meaning there was nothing in place to deter children from receiving messages from predators who intended to sexually exploit them or coerce them to engage in self-harm.

- 5. Even worse, Discord also deceived consumers into believing that it enforced a minimum age requirement. According to Discord's Terms of Service, users must be at least thirteen years old to access the Application. But all Discord does to verify a new user's age is require the user to enter a birthdate—meaning any eight-year-old can access the Application merely by saying they are thirteen. So not only does Discord put teenagers, who are old enough to use the Application, in harm's way by misrepresenting the efficacy of its purported safety features, Discord puts underage children, who are even more vulnerable and impressionable, in harm's way as well.
- 6. None of this is news to Discord. And it has had ample opportunity to fix the Application. Complaints by children and parents and Discord's research showed that even when

used properly, the Application's safety settings failed to effectively protect children from predators who used the Application to stalk, contact, and victimize children. And yet, Discord continued to sacrifice child safety for engagement, refusing to make its Application safer for children by meaningfully improving its safety features, or even by coming clean to consumers about their limitations.

7. By misleading children and parents from New Jersey about the Application's deficient safety features, obscuring the risks that children faced when using its Application, and failing to enforce its own minimum age requirement—all while touting its Application as safe for children—Discord has engaged in unconscionable, abusive, and deceptive business practices, provided false and misleading statements, and made knowing omissions, in violation of the New Jersey Consumer Fraud Act ("CFA"), N.J.S.A. 56:8-1 to -229. Unless permanently enjoined and held to account for this conduct, the children in New Jersey will remain vulnerable to the predatory and harmful behavior that Discord allows to occur on the Application.

#### PARTIES AND JURISDICTION

- 8. The Attorney General is charged with enforcing the CFA and the regulations promulgated thereunder. N.J.S.A. 52:17B-5.7. The Director is charged with administering the CFA on behalf of the Attorney General. N.J.S.A. 52:17B-120; N.J.S.A. 52:17B-124.
- 9. Discord is a Delaware corporation with its principal place of business at 444 De Haro Street, Suite 200, San Francisco, CA 94107.
- 10. Jurisdiction is proper because Defendant has transacted business within New Jersey and has engaged in conduct impacting New Jersey consumers at all times relevant to this complaint.

- 11. Jurisdiction is also proper because Defendant markets its services throughout New Jersey and intentionally avails itself of New Jersey markets so as to render the exercise of jurisdiction fair, reasonable, and consistent with traditional notions of fair play and substantial justice.
- 12. Venue is proper in Essex County pursuant to  $\underline{R}$ . 4:3-2, because Discord conducts business in this county.

### I. DISCORD'S APPLICATION IS STRUCTURED TO ENCOURAGE UNCHECKED AND UNMODERATED ENGAGEMENT AMONG ITS USERS.

- 13. When Discord first released its Application on May 13, 2015, its mission was to allow users, mainly children and teens, "to easily talk with friends while playing online games together." Since then, the Application has been "used by over two hundred million people to hang out and play games with their friends."
- 14. From the start, Discord designed its Application to appeal to children. Discord makes this clear on its website, claiming that it "work[s] relentlessly to make [the Application] a fun and safe space for teens." It appeals to children's desire for personalization and play by offering custom emojis, stickers, and soundboard effects, all of which are intended to make chats more engaging and kid-friendly.<sup>7</sup>
- 15. These and other features of the Application have been successful at attracting young users, who make up a significant portion of Discord's user base.

6 <u>Discord's Commitment to Teen and Child Safety</u>, Discord,

https://discord.com/safety/commitment-to-teen-child-safety (last visited Apr. 16, 2025).

<sup>&</sup>lt;sup>4</sup> <u>About Discord</u>, Discord, https://discord.com/company (last visited Apr. 16, 2025).

<sup>&</sup>lt;sup>5</sup> Id.

<sup>&</sup>lt;sup>7</sup> <u>See, e.g.</u>, Bubbles, <u>Custom Stickers FAQ</u>, Discord, https://support.discord.com/hc/en-us/articles/4403089981975-Custom-Stickers-FAQ (last visited Apr. 16, 2025).

- 16. Children can easily make accounts on Discord, as all that Discord requires to sign up is an email address and date of birth.<sup>8</sup> If the user's age is above thirteen, Discord allows the user to create a username and display name; no real names are required.<sup>9</sup> While Discord states that it prohibits children under the age of thirteen from using the Application, <sup>10</sup> an underage child need only provide a false birthdate to create an account.
- 17. Children congregate in the Application on servers, which are virtual spaces—often framed by Discord as "communities"—that any user can create and join. Like many of Discord's other features, Discord designs servers to appeal to children. Similarly, Discord created "Student Hubs," which are dedicated spaces for students to "[m]eet classmates from [their] school, discover communities, and share [their] servers[.]" Discord also offers verified servers <sup>12</sup> for a number of games popular among children, such as Fortnite <sup>13</sup> and Roblox. <sup>14</sup>

<sup>&</sup>lt;sup>8</sup> Create an account, Discord, https://discord.com/register (last visited Apr. 16, 2025).

<sup>&</sup>lt;sup>9</sup> <u>Id.</u>

Discord's Terms of Service, Discord, https://discord.com/terms (last visited Apr. 16, 2025).
 Student Hubs 101, Discord, https://discord.com/student-hubs (last visited Apr. 16, 2025).

Per Discord, "Verified Servers on Discord are an indication that the server is the officially affiliated community of a business, brand, and figure of public interest." Discord paused

applications for new Verified Servers on July 14, 2023. Nelly, <u>Verified Server Requirements</u>, Discord, https://support.discord.com/hc/en-us/articles/360001107231-Verified-Server-Requirements (last visited Apr. 16, 2025).

Official Fortnite, Discord, https://discord.com/servers/official-fortnite-322850917248663552 (last visited Apr. 16, 2025).

<sup>&</sup>lt;sup>14</sup> See, e.g., Roblox Groups and Communities, Discord, https://discord.com/discover/roblox (last visited Apr. 16, 2025).

- 18. Servers have administrators, or "admins," who control a given server, and may have moderators, or "mods," who are selected by the server admin and granted certain authority to manage the server. Discord relies on these admins and mods to enforce its Terms of Service and Community Guidelines, <sup>15</sup> which prohibit certain conduct on the Application, including but not limited to prohibitions on sharing child sexual abuse material, non-consensual pornography, and real media depicting excessive violence, and making "sexually explicit content available to anyone under the age of 18." <sup>16</sup>
- 19. But any Discord user, regardless of age, can create a server or become a moderator. And Discord does not require education or training for moderators to identify or respond to potential violation of its Terms of Service or Community Guidelines. Nor does it require that moderators review any training materials.
- 20. Under the purported oversight of the admin and moderators, Discord allows users to chat in servers via text channels, voice channels, and forums. Text channels and forums allow users to send messages, upload files, and share images that can be viewed by users on the server. Voice channels, meanwhile, allow users to make audio and video calls, as well as share their screens with other users on the server.
- 21. Discord also allows users to send video, audio, and text directly to other users through private direct messages, called "DMs." By default, Discord allows users to receive direct messages from "friends" and anyone with whom they share a server. <sup>17</sup> But limiting DMs in this

Your Responsibilities as a Moderator, Discord, https://discord.com/community/your-responsibilities-as-a-discord-moderator-discord (last visited Apr. 16, 2025).

<sup>&</sup>lt;sup>16</sup> Community Guidelines, Discord, https://discord.com/guidelines (last visited Apr. 16, 2025); Terms of Service, Discord, https://discord.com/terms (last visited Apr. 16, 2025).

<sup>&</sup>lt;sup>17</sup> Four Steps to a Super Safe Account, Discord, https://discord.com/safety/360043857751-four-steps-to-a-super-safe-account (last visited Apr. 16, 2025).

way offers little protection for children. Numerous Discord servers for games or pop-culture hobbies popular with children, such as Fortnite, <sup>18</sup> Roblox, <sup>19</sup> or My Little Pony, have tens of thousands or even over a million members, including adults.

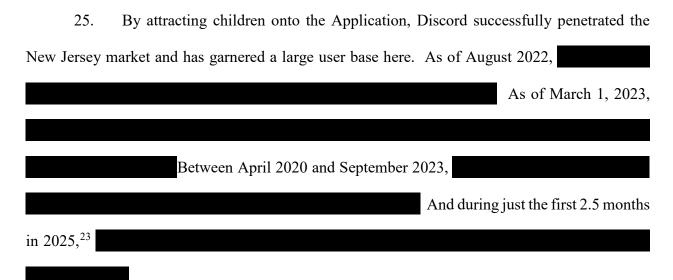
- 22. Moreover, Discord's default settings also allow children to receive friend requests from "Everyone." Indeed, users do not have to be connected in servers—or have any other mutual connection—before they can "friend" one another, so long as they obtain the individual's username. This means that children can receive and accept friend requests from users whom they do not know and with whom they have no connection, increasing their risk on the Application.
- 23. And children face significant risks on the Application. Paying lip service to those risks, Discord states that it may take enforcement steps against those who violate its policies.<sup>20</sup> For example, a child under the age of thirteen who is reported to Discord may be banned for violating the Terms of Service, or a child predator found to have circulated child sexual abuse material may be banned under Discord's Community Guidelines. But given the simple process of registering for a new Discord account, a banned user may circumvent the ban by creating a new account using a new email address. This is simple, because Discord's base Application requires no monetary payment.
- 24. Discord does offer two subscription services that provide consumers with additional features: (1) Nitro, which costs \$9.99/month or \$99.99/year; and (2) Nitro Basic, which

<sup>&</sup>lt;sup>18</sup> Official Fortnite, Discord, https://discord.com/servers/official-fortnite-322850917248663552 (last visited Apr. 16, 2025).

<sup>&</sup>lt;sup>19</sup> Roblox, Discord, https://discord.com/servers/roblox-150074202727251969 (last visited Apr. 16, 2025).

<sup>&</sup>lt;sup>20</sup> Community Guidelines, Discord, https://discord.com/guidelines (last visited Apr. 14, 2025); Terms of Service, Discord, https://discord.com/terms (last visited Apr. 14, 2025).

costs \$2.99/month or \$35.88/year.<sup>21</sup> In 2023, Discord also launched an in-app Shop where non-Nitro users can "preview and purchase available avatar decorations and profile effects" and "Nitro members can also claim any Nitro exclusive items while in the Shop[.]"<sup>22</sup>



### II. DISCORD MISLED AND DECEIVED ITS USERS ABOUT THE SAFETY OF ITS APPLICATION.

26. Despite facilitating virtually unchecked user interaction, Discord has consistently touted its Application as being a "safe space for teens." Discord claims to "make [its] products safe spaces by design and default," that "[s]afety is and will remain part of Discord's core

<sup>&</sup>lt;sup>21</sup> Locke, <u>How To Use Nitro: A Beginner's Guide To Discord's Premium Subscription</u>, Discord (Oct. 20, 2022), https://ptb.discord.com/blog/beginners-guide-to-nitro.

<sup>&</sup>lt;sup>22</sup> Bubbles, <u>Shop FAQ</u>, Discord, https://support.discord.com/hc/en-us/articles/17162747936663-Shop-FAQ (last visited Apr. 16, 2025).

Discord's Commitment to Teen and Child Safety, Discord, https://discord.com/safety/commitment-to-teen-child-safety (last visited Apr. 16, 2025).

experience," and that "[s]afety is at the core of everything Discord do[es] and [is] a primary area of investment as a business."<sup>25</sup>

27. But the truth is that Discord's Application is not safe for children, and Discord knows it. Discord deceived users and parents about the safety measures it claims protect children. Discord misrepresented the efficacy of its direct message filters, leaving children vulnerable to harassment, abuse, and sexual exploitation by predators who lurk on the Application. It also misrepresented that it prohibits users under thirteen from using its Application, exposing younger, even more vulnerable children to the dangers that exist on the Application. And Discord exacerbated these risks by designing its Application to maximize unmoderated user interaction, effectively putting children on a collision course with harm.

### A. Discord Misled and Deceived Users About its "Safe Direct Messaging" Feature.

- 28. For years, Discord misled and deceived its users about the effectiveness of its Safe Direct Messaging feature despite knowing that it did not work as promised or keep children safe.
- 29. From March 28, 2017 until April 22, 2023, Discord included "Safe Direct Messaging" settings in the "Privacy & Safety" menu of Discord's "User Settings." The settings purported to address how direct messages from other users would be scanned and deleted before receipt. The Safe Direct Messaging setting contained three options:

<sup>&</sup>lt;sup>25</sup> <u>Id.</u>; <u>Discord's Commitment to a Safe and Trusted Experience</u>, Discord, https://discord.com/safety/360043700632-discords-commitment-to-a-safe-and-trusted-experience (last visited Apr. 16, 2025).

SAFE DIRECT MESSAGING				
$\bigcirc$	Keep me safe Scan direct messages from everyone.			
<b>⊘</b>	My friends are nice Scan direct messages from everyone unless they are a friend.			
$\bigcirc$	Do not scan Direct messages will not be scanned for explicit content.			
Automatically scan and delete direct messages you receive that contain explicit media content.				

As shown above, the options read:

- "Keep me safe[.] Scan direct messages from everyone."
- "My friends are nice[.] Scan direct messages from everyone unless they are a friend."
- "Do not scan[.] Direct messages with not be scanned for explicit content."
- 30. For most of the feature's existence, Discord made the "My friends are nice" option the default setting for every new user on the Application. This option only scanned incoming direct messages if the sender was not on the user's friends list.
- 31. For both the "Keep me Safe" and "My friends are nice" settings, Discord represented that it would "[a]utomatically scan and delete direct messages you receive that contain explicit media content."
- 32. But this was not true.

And yet, Discord doubled down on its false claim. At various points from March 28, 2017 through April 22, 2023, Discord claimed in webpages not linked within the Application that, "with [Safe Direct Messaging], images and videos in all direct messages are scanned by Discord and age-restricted content is blocked."<sup>26</sup> 33. 34.

See, e.g., Four Steps To A Super Safe Account, Internet Archive, https://web.archive.org/web/20210730073013/https://discord.com/safety/360043857751-four-steps-to-a-super-safe-account (archived from July 30, 2021).

<sup>28</sup> 

	35.				
	36.				
	37.				

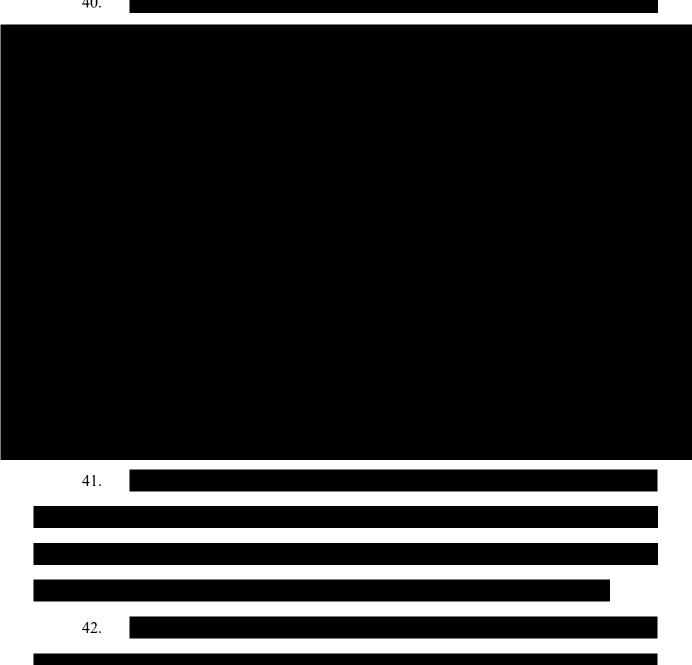
38. 39.

31

ESX-C-000084-25 04/17/2025 8:51:58 AM Pg 15 of 45 Trans ID: CHC2025123572 Case 2:25-cv-05130-JKS-MAH Document 1-1 Filed 05/22/25 Page 16 of 46 PageID:

Nevertheless, Discord continued to promise for almost four years that incoming messages were scanned for all explicit media content.

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43. And yet Discord repeatedly reassured consumers that "explicit content" and "explicit media content" would be blocked. These assurances were made both in the Application and on Discord's website, but none of these disclosures provided a complete or accurate description of how the settings worked. Indeed, even if a consumer looked beyond the Safe Direct Messaging setting in the Application to other information found on Discord's website, they would not understand that the safety features Discord relied on

44. While Discord provided hyperlinks to its Terms of Service and Privacy Policy in the Application's Privacy & Safety menu, neither webpage explained to consumers that

33 In other words, nowhere did Discord explain to users

45. Discord's "Help Center," if users were lucky enough to find it, was no better. While additional information on the "Keep me Safe" setting was buried within Discord's "Help Center," an interested user would still have to take several steps to reach it. First, once navigating to Discord's "Help Center," a user would then have to know to select "Discord's Interface[:] WHAT DOES THIS BUTTON DO!?!11 [sic]," scroll to the bottom of "Discord's Interface" page to reach

Terms of Service, Discord, https://discord.com/terms (last visited Apr. 14, 2025); <u>Discord Privacy Policy</u>, Discord, https://discord.com/privacy (last visited Apr. 16, 2025).

the "Direct Messaging" section, and then finally select "Discord Safety: Safe Messaging!" to reach an article about Safe Direct Messaging.<sup>34</sup>

- 46. Even then, the article in Discord's Help Center contained only a sparse description of the safety settings, with no warning about their limitations. Specifically, Discord described its safety settings as follows:
  - "Keep me safe: The safest option. This will have Discord scan any image sent in all DMs [(i.e., Direct Messages)], regardless of whether you've added the user on your friend list, or the user is DMing you just by sharing a mutual server,

. . . .

 My friends are nice: The medium-est option! This will let Discord know to scan any images sent in DMs from users that aren't on your friends list, but also to trust your previously-added friends and not worry about any images they send,

. . . .

- Do not scan: The self-confident option. Enabling this option will completely disable Discord's image scanning process, and leave you for a walk on the wild side for any and all DMs you receive. Careful, it's a jungle out there!"
- 47. Only if an interested user scrolled to the bottom of that webpage would they see Discord's disclaimer that it "programmed [its] robo-hamsters to only scan images specifically (no text at all!), and include the option [for Safe Direct Messaging] to be turned off completely. If you're a strong independent individual that don't need no [sic] image-scanning in your DMs, well, we got you too."<sup>35</sup>

us/articles/115000068672-Discord-Safety-Safe-Messaging- (archived from May 31, 2022).

<sup>34</sup> Discord Help Center, Internet Archive, https://web.archive.org/web/20230208171135/https://support.discord.com/hc/en-us (archived Feb. 8, 2023). Discord Safety: Safe Messaging!, Internet Archive, https://web.archive.org/web/20221007181747/https://support.discord.com/hc/en-

- 48. Discord's Safety Center—a separate website, different from the Help Center, that existed as early as 2020—also did not remedy these misrepresentations. The Safety Center's "Four Steps To A Super Safe Account" webpage continued to represent Safe Direct Messaging as an "explicit media content setting" that allows "users [t]o decide whether they want Discord to automatically scan and delete direct messages that contain explicit media content" until around May 2023. Similarly, until around May 2023, the Safety Center's "Helping Your Teen Stay Safe on Discord" webpage likewise claimed that Safe Direct Messaging is an "[e]xplicit media content setting[]" that allows users to "decide whether they want Discord to automatically scan and delete direct messages . . . that contain explicit media content." Neither webpage contained disclaimers about Safe Direct Messaging's limitations.
- 49. Despite creating multiple webpages discussing Safe Direct Messaging, Discord did not hyperlink to any of these pages in its in-Application safety controls. Instead, an interested user would need to take several additional steps to find, and search Discord's Help Center, and its Safety Center, for information on Safe Direct Messaging's limitations. And even there, Discord failed to provide accurate and complete representations. Instead, the descriptions both in the Application and on Discord's maze of websites led consumers to believe that they could choose safety settings that would protect themselves—and their children—from explicit media content. But this was simply not true, and the Keep Me Safe setting did not keep children safe.

<sup>&</sup>lt;sup>36</sup> Four Steps To A Super Safe Account, Internet Archive, https://web.archive.org/web/20210730073013/https://discord.com/safety/360043857751-four-steps-to-a-super-safe-account (archived from July 30, 2021).

#### B. Discord's Design Decisions Exacerbated the Risk to Children on the Application.

- 50. In addition to misleading users about its Safe Direct Messaging features and failing to follow through on its repeated promises to ban children under the age of thirteen from its Application, Discord made multiple misrepresentations regarding the safety of the Application for children.
- 51. Discord assures parents that it will protect their children from dangerous actors and predators, and stating it has a zero-tolerance policy toward child sexual abuse and exploitation. Discord's representations state that:
  - Discord "has a zero-tolerance policy for anyone who endangers or sexualizes children."<sup>37</sup>
  - Discord "has a zero-tolerance policy for inappropriate sexual conduct with children and grooming," with "special attention given to predatory behaviors such as online enticement and the sexual extortion of children."<sup>38</sup>
  - "Discord has a zero-tolerance policy for inappropriate sexual conduct with children and grooming...when we become aware of this types of incidents, we take appropriate action, including banning the accounts of the offending adult users and reporting them to NCMEC." 39
- 52. Discord has also publicly represented that it prioritizes the safety of children users in its product design and implementation, stating:
  - The Application differs from platforms of other competitors because it "built Discord to be different and work relentlessly to make it a fun and safe space for teens." <sup>40</sup>

Discord Transparency Report: July – September 2022, Discord, https://discord.com/blog/discord-transparency-report-q3-2022 (last visited Apr. 15, 2025).

<sup>&</sup>lt;sup>38</sup> <u>Discord's Commitment to Teen and Child Safety</u>, Discord,

https://discord.com/safety/commitment-to-teen-child-safety (last visited Apr. 9, 2025).

<sup>&</sup>lt;sup>39</sup> Id.

<sup>&</sup>lt;sup>40</sup> Id.

- The Application "is built on Safety," and "[s]afety is at the core of everything [it] do[es] and a primary area of investment as a business."<sup>41</sup>
- Discord "make[s] [its] products safe spaces by design and default. Safety is and will remain part of Discord's core experience."<sup>42</sup>
- "We've partnered with leaders in the teen and child safety space to ensure our policies are crafted with the latest research, best practices, and expertise in mind." 43
- "Discord is committed to continually exploring new and improved safeguards that help keep younger users safe on our platform and online."
- "Discord's Safety by Design practice includes a risk assessment process during the product development cycle that helps identify and mitigate potential risks to user safety. We recognize that teens have unique vulnerabilities in online settings and this process allows us to better safeguard their experience. Through this process, we think carefully about how product features might disproportionately impact teens and consider whether the product facilities more teento-adult interactions and/or any unintended harm. Our teams identify and strategize ways to mitigate safety risks with internal safety technology solutions during this process and through getting insight and recommendations from external partners." 45
- 53. Discord similarly touts its proactive enforcement of its safety policies, stating:
  - "Discord uses a mix of proactive and reactive tools to remove content that violates our policies, from the use of advanced technology like machine learning models." 46

Transparency Report, 2023 Q1, Discord, https://discord.com/safety-transparency-reports/2023-q1 (last visited Apr. 8, 2025).
 Id.

<sup>&</sup>lt;sup>41</sup> <u>Discord's Commitment to a Safe and Trusted Experience</u>, Discord, https://discord.com/safety/360043700632-discords-commitment-to-a-safe-and-trusted-experience (last visited Apr. 15, 2025); <u>Discord's Commitment to Teen and Child Safety</u>, Discord, https://discord.com/safety/commitment-to-teen-child-safety (last visited Apr. 16, 2025). <sup>42</sup> Id.

 $<sup>^{43}</sup>$  Id.

<sup>&</sup>lt;sup>46</sup> <u>Id.</u> Similar statements are made in Discord's other Transparency Reports available at <u>Archived Transparency Reports</u>, Discord, https://discord.com/tags/transparency-reports.

- "Proactively detect[ing] [child sexual abuse material] and grooming is a key priority for use and we have a dedicated team to handle related content. In Q2 2023, we proactively removed 99% of servers found to be hosting [child sexual abuse material]."<sup>47</sup>
- Discord "invest[s] heavily in our protective efforts to detect and remove abuse before it is reported to us. Through advanced tooling, machine learning, specialized teams, and partnering with external experts, we work to remove high-harm abuse before it is viewed or experienced by others." 48
- "We don't sit back and simply wait for reports, but instead act to protect everyone on the platform." <sup>49</sup>
- "We invest heavily in our proactive efforts to detect and remove abuse before it's reported to us." 50
- 54. But instead of living up to these representations, Discord made design choices that exacerbated the danger that children faced when using the Application. By default, Discord allows users to exchange DMs if they belonged to a common server. Therefore, a malicious user need only join a community server, which could contain over a million users, to exchange DMs with an unsuspecting child user.
- 55. Discord's Community Guidelines do not remedy these risks. For example, Discord largely delegates the task of ensuring users follow Community Guidelines to its volunteer moderators. Discord does not require education or training for moderators to identify or respond

Discord's Commitment to Teen and Child Safety, Discord,
 https://discord.com/safety/commitment-to-teen-child-safety (last visited Apr. 9, 2025).
 Id.

<sup>&</sup>lt;sup>49</sup> Discord Safety Center, Internet Archive, https://web.archive.org/web/20220610172347/https://discord.com/safety (archived from June 10, 2022) and

https://web.archive.org/web/20210624030038/https://discord.com/safety (archived from June 24, 2021).

<sup>&</sup>lt;sup>50</sup> See, e.g., <u>Transparency Report, 2023 Q1</u>, Discord, https://discord.com/safety-transparency-reports/2023-q1 (last visited Apr. 8, 2025). Similar statements are made in Discord's other Transparency Reports available at <u>Archived Transparency Reports</u>, https://discord.com/tags/transparency-reports.

to any potential violation of Community Guidelines. Nor does it require that moderators review any training materials. Discord effectively relied on unpaid volunteers who were ill-equipped to identify potential violations while simultaneously allowing users to engage in private messaging with each other, all because they joined a server that catered explicitly to children's tastes and interests.

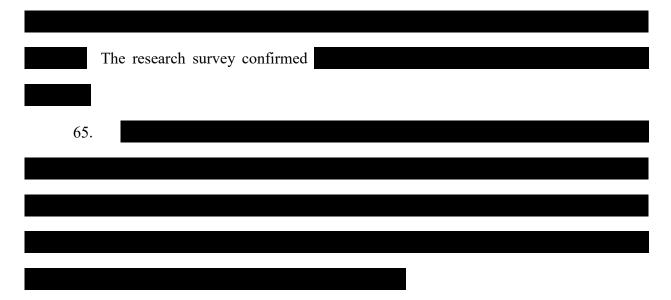
- 56. Making it even more difficult to moderate servers is the fact that users identify themselves in chats by anonymous display names and may create multiple accounts to hide their activities and circumvent being banned from servers, or from facing other repercussions. And even if users are banned from a server, or banned from Discord altogether, Discord's design allow them to simply re-engage using a brand-new, easily-created account.
- 57. This risk is magnified when dealing with popular servers that are home to large numbers of users, where predators can hide among children. For example, the Minecraft Discord server currently has more than 1.8 million users.<sup>51</sup>
- 58. DMs among "friends" were even more dangerous. Discord's default Safe Direct Messaging settings not only allowed any user to send a friend request to a child, they also then permitted those users, once "friends," to exchange totally unscanned DMs through the "My friends are nice" setting. This means that children could receive and accept friend requests from users whom they did not know and with whom they had no connection, and then engage privately on the platform without any oversight or explicit content guardrails—all by design.

<sup>&</sup>lt;sup>51</sup> <u>Minecraft Discord Server Invitation</u>, available at https://discord.com/invite/minecraft (last visited Apr. 14, 2025).

- 59. And, even if a savvy parent or user changed the default Safe Direct Messaging setting to one that would scan for "explicit content,"
- 60. Said another way, Discord promised parents safety but made deliberate choices to design its Application and establish default settings that rendered those promises utterly meaningless. As a result of Discord's decisions, thousands of New Jersey users were misled into signing up, believing Discord was safe for children, when it was really anything but.
  - C. Discord Misrepresents that Users under the Age of Thirteen are not Permitted to Create Accounts and are Banned from Discord upon Discovery.
- 61. In addition to misleading consumers about the safety of its Application, Discord also misrepresents that it prohibits users under thirteen from using its Application, when, in reality, it does not take adequate steps to do so.
- 62. At all relevant times, Discord's Terms of Service stated that users must be "at least thirteen years old and meet the minimum age required by the laws in [the users'] country."52
- 63. Discord requires individuals to enter their date of birth to verify their age—nothing more. If the individual provides a date of birth indicating that they are under thirteen, Discord does not permit the individual to register an account and instead presents a notice screen informing the individual that they are "unable to register."
- 64. Yet, Discord's Research Consultant reported to Discord

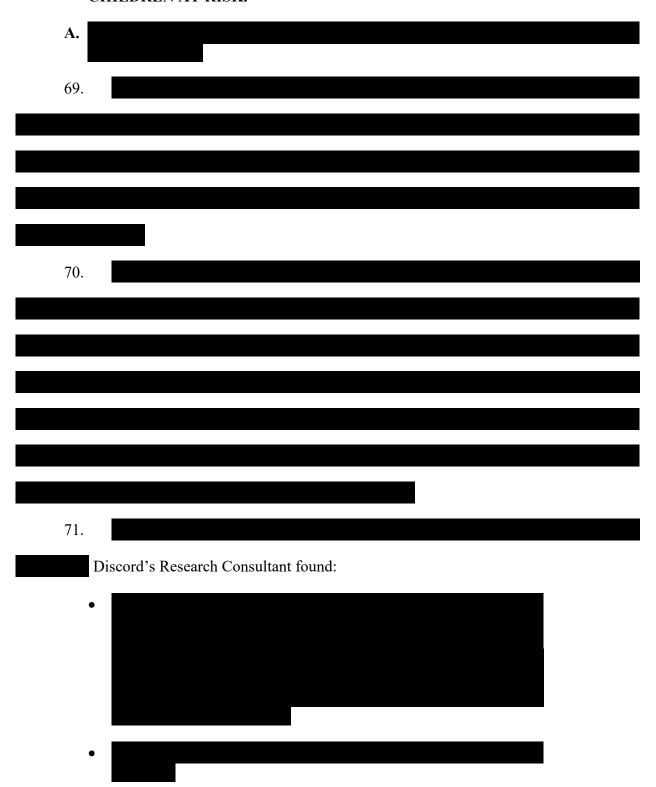
  In one of the Research Consultant's surveys,

<sup>&</sup>lt;sup>52</sup> <u>Discord's Terms of Service</u>, Discord, https://discord.com/terms (last visited Apr. 14, 2025).

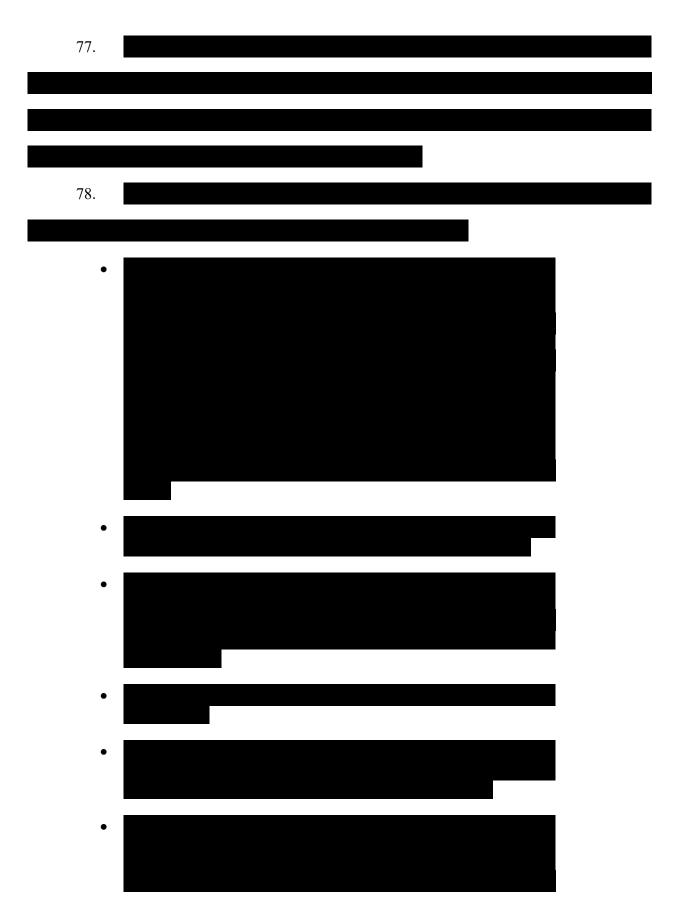


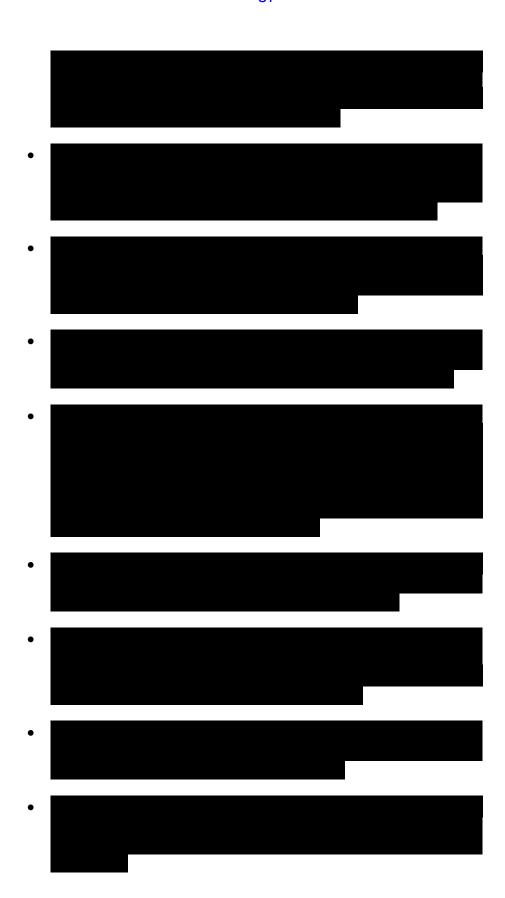
- 66. Despite Discord's actual knowledge of the underage users on its Application, Discord has refused to implement simple measures that would prevent children younger than thirteen from accessing the Application and that would protect all minors using the Application. For example,
- Discord does not require users to verify their age and identity when creating an account, a measure that would prevent predators from creating false accounts and keep children under thirteen off the Application more effectively.
- 67. In many criminal cases involving sexual exploitation of children on Discord, the children were under the age of thirteen. Had Discord required more stringent identity verification during the account creation process, Discord could have better prevented young children from using the Application. Nevertheless, Discord actively chose not to bolster its age verification process for years and to allow children under the age of thirteen to operate freely on the Application, despite their vulnerability to sexual predators.
- 68. Discord repeatedly violated its own policies by allowing the underage accounts to remain active.

## III. DISCORD KNOWS ITS PLATFORM IS UNSAFE BUT CONTINUES TO PUT CHILDREN AT RISK.

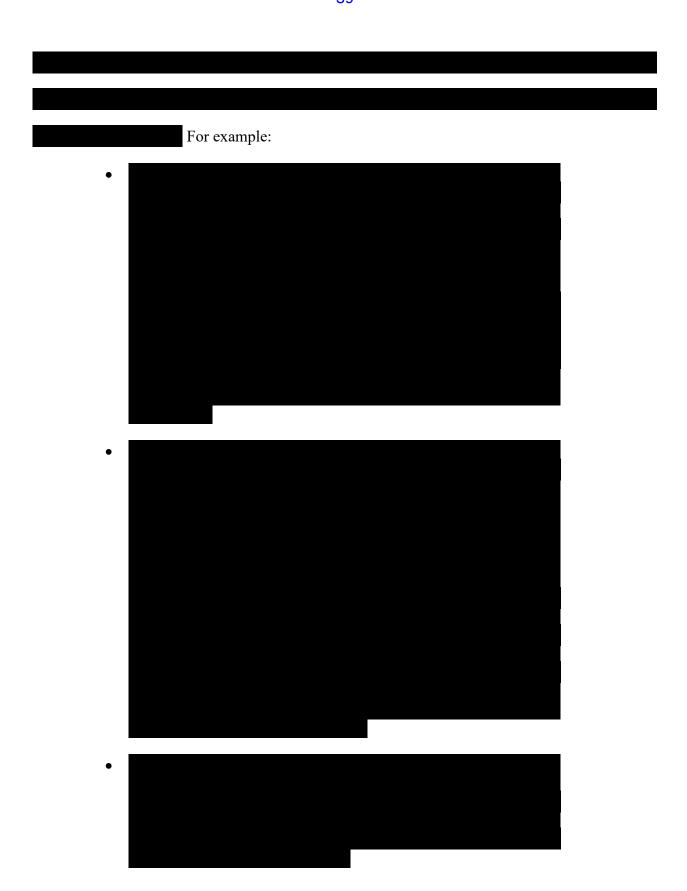


	72.	As a result of these findings, Discord's Research Consultant advised Discord to
	73.	The Research Consultant also suggested that Discord
	74.	
	75.	Yet Discord continued to tout its supposed commitment to safety without adopting
the pro		ed changes.
	В.	Consumer Complaints and Criminal Cases Confirmed that Users Were Actually Misled by Discord's Representations.
	76.	









- 81. Public news reports also illustrate the dangers Discord's Application poses to children—including those in New Jersey. Indeed, there have been numerous reports of alarming cases in which adults were charged with using the Application to contact children, often posing as children themselves, and transmitting and/or soliciting explicit images through the Application, in some cases through the use of blackmail, or "sextortion."
- 82. For example, in November 2021, 22 -year-old Quinn T. Dickson of Mahwah, New Jersey, was arrested and charged with child pornography and child endangerment. Dickson was alleged to have used Discord and other online applications to contact children, some of whom were under the age of thirteen, and engage them in sexually explicit conversations. During such online chats, Dickson instructed two different children to produce and send him sexually explicit photos and/or videos.<sup>53</sup>
- 83. In January 2022, 45-year-old Patrick Shane Penczak of North Port, Florida was arrested and charged with lewd and lascivious battery on a child, allowing a child to engage in sexual activity, directly promoting a child to engage in sexual performance, viewing a child in the performance of sexual performance, and using a computer to lure and seduce a child. More specifically, Penczak was charged with befriending a thirteen-year-old New Jersey boy through an

<sup>&</sup>lt;sup>53</sup> Cecilia Levine, <u>Bergen Retail Clerk Had Sexual Convos With Kids, 800 Child Porn Files:</u> <u>Prosecutor, Daily Voice (Nov. 3, 2021)</u>, https://dailyvoice.com/new-jersey/paramus/police-fire/bergen-retail-clerk-had-sexual-convos-with-kids-800-child-porn-files-prosecutor/819411/.

online video game and then coercing the boy to make sexually explicit videos. According to the allegations against him, Penczak impersonated a teenage girl on Roblox and interacted with the New Jersey boy between September 2020 and February 2021. Penczak enticed the boy to send a nude photo through Discord. Once the photo had been sent, Penczak threatened to publish the photo on the internet unless the boy sent him sexually explicit videos. The boy complied until police in New Jersey were notified in February 2021. Inside the stored data of the email account associated with the Penczak's Discord account, police discovered six images depicting child sexual abuse. <sup>54</sup>

- 84. In February 2022, 31-year-old Barton Cross-Tierney II of Ocean Township, New Jersey was sentenced to three years for endangering the welfare of a child and exhibiting obscenity to a child. Cross committed sexual acts while video chatting with children on Discord. 55
- 85. In September 2022, 47-year-old Michael S. Lovell-Agnelli of Phillipsburg, New Jersey was arrested for uploading images depicting the sexual exploitation of children to Discord and distributing those same images to other Discord users. <sup>56</sup>
- 86. In March 2023, 32-year-old Eric Schau of Jersey City, New Jersey, was arrested and charged with two counts of endangering the welfare of a child. According to the allegations against him, Schau, who taught at a charter school in Hoboken, engaged in a sexually explicit

<sup>&</sup>lt;sup>54</sup> North Port Man Charged with Sexually Blackmailing New Jersey teen, ABC7 (Jan. 26, 2022), https://www.mysuncoast.com/2022/01/26/north-port-man-charged-with-sexually-blackmailing-new-jersey-teen/.

<sup>&</sup>lt;sup>55</sup> Ocean Township Man Pleads Guilty to Endangering Welfare of a Child, The Coaster (Feb. 11, 2022), https://thecoaster.net/2022/02/11/ocean-township-man-pleads-guilty-to-endangering-welfare-of-a-child/.

Press Release, Warren Cty. Pros. Off. (Sept. 27, 2022), https://tapinto-production.s3.amazonaws.com/documents/31829/Press\_Release\_arrest\_0927\_Page\_1.png.

dialogue with a child on Discord, sent an explicit image to the teen, and received child sex abuse material from her.<sup>57</sup>

87. Discord was even used by 764, a network of violent extremists focused on sexually exploiting children and creating child sexual abuse material, to victimize children online. One member, Richard Densmore, created communities on Discord where he coerced children to engage in graphic sexual acts and self-mutilation.<sup>58</sup> For his crimes, Densmore was sentenced to thirty years in prison.

#### C. Discord's Belated Measures Do Not Make Children Safe.

features were inadequate to prevent harm and that its disclosures misrepresented the limitations of those features, Discord delayed correcting its false representations

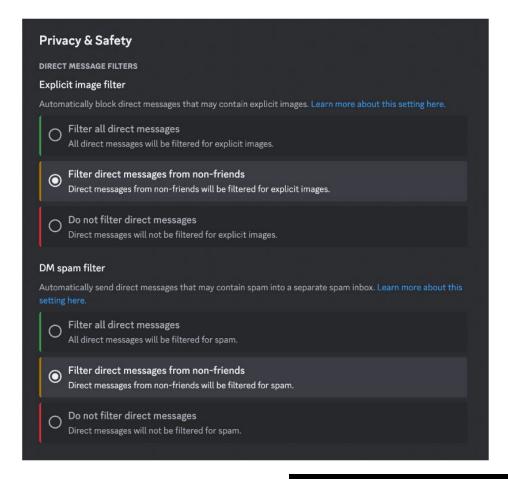
leaving children vulnerable to sexual predators and other malicious actors lurking on its Application. And when Discord did finally take steps to modify its safety features, the changes it implemented were insufficient to make children safe or to render its representations accurate.

89. On April 22, 2023, and almost a year after Discord became aware of the Plaintiffs' investigation, Discord finally replaced the Safe Direct Messaging setting. In its place, Discord created two Direct Message Filters under its Privacy & Safety setting: (1) an Explicit Image Filter, which Discord claimed "[a]utomatically

<sup>&</sup>lt;sup>57</sup> Ron Zeitlinger, <u>Hoboken teacher charged with sending explicit image to girl, 14</u>, nj.com (Mar. 2, 2023), https://www.nj.com/hudson/2023/03/hoboken-teacher-charged-with-sending-explicit-image-to-girl-14.html.

<sup>&</sup>lt;sup>58</sup> Member of Violent 764 Terror Network Sentenced to 30 Years in Prison For Sexually Exploiting a Child, DOJ (Nov. 7, 2024), https://www.justice.gov/archives/opa/pr/member-violent-764-terror-network-sentenced-30-years-prison-sexually-exploiting-child.

block[s] direct messages that may contain explicit images;" and (2) a DM Spam Filter, which Discord claimed "[a]utomatically send[s] direct messages that may contain spam into a separate spam inbox." Both settings had "Learn more about this setting here" buttons that redirected users to a webpage titled: "Safer Messaging on Discord." That webpage did not define "explicit images," but provided a link to Discord's Community Guidelines, which referred to "sexual content" when discussing "explicit content."



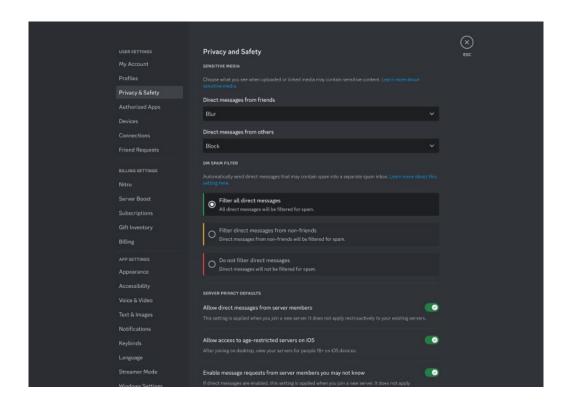
90. In creating these new settings, Discord

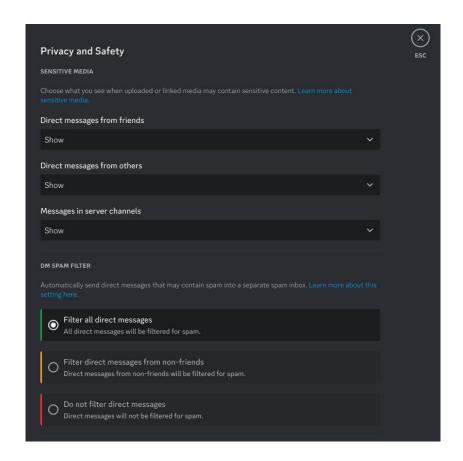
declined to use the most stringent safety option ("Filter all direct messages") as the default setting for user accounts, opting instead for a less protective option ("Filter direct messages from non-friends").

91. As with the predecessor "Safe Direct Messaging" setting, Discord again failed to be honest with consumers about the scanning capabilities of its "Explicit Image Filter" to help parents and

children understand the risks of using the Application.

92. On or around October 19, 2023, Discord again introduced a new "Sensitive Media" filter to replace the "Explicit Image" filter. That setting purports to allow users to "[c]hoose what you see when uploaded or linked media may contain sensitive content." The setting included a hyperlink within the Application for users to learn more, but the hyperlinked page did not include a definition of "sensitive media"—thus, failing to describe what media is scanned—or provide any guidance whatsoever on what content Discord deems to be "sensitive."





93. Simply put, Discord's revised safety settings and disclosures did not make the Application safer for children.

#### COUNT I

### VIOLATIONS OF THE CFA (FALSE PROMISES, MISREPRESENTATIONS, AND DECEPTION)

- 94. Plaintiffs repeat and re-allege the allegations in the preceding paragraphs as if more fully set forth herein.
  - 95. The CFA, N.J.S.A. 56:8-2, prohibits:

The act, use or employment by any person of any commercial practice that is unconscionable or abusive, deception, fraud, false pretense, false promise, misrepresentation, or the knowing, concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise[.]

- 96. The CFA defines "merchandise" as "any objects, wares, goods commodities, services or anything offered, directly or indirectly to the public for sale." N.J.S.A. 56:8-1(c).
- 97. The CFA defines "person" as including "any natural person or his legal representative, partnership, corporation, company, trust, business entity or association, and any agent, employee, salesman, partner, officer, director, member, stockholder, associate, trustee or cestuis que trustent." N.J.S.A. 56:8-1(d).
- 98. The CFA defines "sale" as including "any sale, rental or distribution, offer for sale, rental or distribution or attempt directly or indirectly to sell, rent or distribute." N.J.S.A. 56:8-1(e).
- 99. At all relevant times, Defendant engaged in the advertisement and sale of merchandise with the meaning of N.J.S.A. 56:8-1(c)-(e).
- 100. Defendant's conduct in violation of the CFA includes, but is not limited to, the following material acts of false promises, misrepresentations, and/or deception:
  - Discord misrepresented and falsely stated that its Application is safe for children;

- b. Discord misrepresented and falsely stated how its safety settings work;
- c. Discord deceived New Jersey consumers when it claimed that its "Keep me safe" setting would keep children safe;
- d. Discord deceptively described its Safe Direct Messaging filter;
- e. Discord misrepresented and falsely stated that its "Keep me safe" setting would "[s]can direct messages from everyone";
- f. Discord misrepresented and falsely stated that its "Keep me safe" setting would "delete direct messages you receive that contain explicit media content";
- g. Discord deceptively described its Explicit Image filter;
- h. Discord deceptively described its Sensitive Media filter; and
- i. Discord misrepresented and falsely stated that it prevents users under the age of thirteen from using the Application when in fact Discord knew that it does not prevent those users from using the Application.
- 101. Each false promise, misrepresentation, and act of deception by Defendants constitutes a separate violation under the CFA, N.J.S.A. 56:8-2.

#### **COUNT II**

# VIOLATIONS OF THE CFA (KNOWING OMISSIONS OF MATERIAL FACT)

- 102. Plaintiffs repeat and re-allege the allegations in the preceding paragraphs as if more fully set forth herein.
- 103. In the operation of Discord's business, Defendant has engaged in knowing omissions of material fact in violation of the CFA, N.J.S.A. 56:8-2, with the intent to deceive.

- 104. At various times, Defendant has engaged in knowing omissions of material fact, with the intent to deceive, by failing to disclose:
  - Discord's inability to actually safeguard child users, notwithstanding its representations to the contrary;
  - b. The dangers that children face when using the Application, including, but not limited to, child sexual exploitation and abuse;
  - c. The limitations of Discord's Safe Direct Messaging feature;
  - d. The limitations of Discord's Explicit Image filter;
  - e. The limitations of Discord's Sensitive Media filter;
  - f.
    and
  - g. Material facts concerning knowledge of child users under the age of thirteen on the Platform.
- 105. Each knowing omission of material fact by Defendant constitutes a separate violation under the CFA, specifically N.J.S.A. 56:8-2.

### **COUNT III**

## VIOLATIONS OF THE CFA (UNCONSCIONABLE AND ABUSIVE COMMERCIAL PRACTICES)

- 106. Plaintiffs repeat and re-allege the allegations in the preceding paragraphs as if more fully set forth herein.
- 107. In the operation of Discord's business, Defendant has engaged in the use of unconscionable commercial and abusive practices in violation of the CFA, N.J.S.A. 56:8-2.

- 108. At various times, Defendant has engaged in unconscionable and abusive commercial practices in connection with deceiving parents and children into a false sense of safety in the Application, despite knowing that children faced real and serious risk on the Application, including, but not limited to, the following ways:
  - a. Inaccurately and incompletely explaining the limits of Discord's media scanning technology, which rendered the Application unsafe for children;
  - Designing the Application in a manner unsafe for children despite promises
     that children would be safe on Discord; and
  - c. Allowing child predators to victimize children using the Application, while representing that Discord has a "zero-tolerance policy for anyone who endangers or sexualizes children" and bans any user who engages in "predatory behaviors such as online enticement [or] the sexual extortion of children."
- 109. Discord's strategy of employing difficult to navigate and ambiguous safety settings to lull parents and children into a false sense of safety, when Discord knew well that children on the Application were being targeted and exploited, are unconscionable and/or abusive commercial acts or practices.
- 110. Discord's acts and practices alleged herein are offensive to public policy. The protection of New Jersey consumers from the harms of sex predators and explicit content are well-established objectives underlying public policy of New Jersey.
- 111. Each unconscionable and/or abusive commercial practice by Discord constitutes a separate violation under the CFA, N.J.S.A. 56:8-2.

#### **COUNT IV**

## VIOLATIONS OF THE CFA (VIOLATIONS OF N.J.S.A. 56:8-4(b))

- 112. Plaintiffs repeat and re-allege the allegations in the preceding paragraphs as if more fully set forth herein.
- 113. The CFA, N.J.S.A. 56:8-4(b) provides: "In an action brought by the Attorney General, any commercial practice that violates State or federal law is conclusively presumed to be an unlawful practice under [N.J.S.A.] 56:8-2[.]"
- 114. The Children's Online Privacy Protection Act ("COPPA") prohibits website or service operators, such as Discord, from collecting personal information from children under the age of thirteen without first obtaining verifiable parental consent if: (a) the operator of the website or online service has actual knowledge that it is collecting personal information from a child; or (b) the operator's service is directed to children. 15 U.S.C. § 6502(a)(1).
- 115. Discord's operation of its Application is subject to COPPA's verifiable parental consent requirement under both of the two statutory triggers: (a) Discord has and routinely obtains actual knowledge that users of its Application are children under the age of thirteen; and (b) Discord targets children under the age of thirteen to be users of its Application, making the Application directed to children. See 16 C.F.R. § 312.2.
- 116. "Verifiable parental consent" requires, at a minimum, providing a child's parent with notice of Discord's "personal information collection, use, and disclosure practices" and further requires Discord to obtain the parent's authorization for Discord to collect, use, or disclose the child's information. Both of these requirements must be completed before Discord may collect a child's information. 15 U.S.C. § 6501(9).

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- 117. Instead of obtaining verifiable parental consent, Discord relies on nominal bans of children under the age of thirteen to avoid any responsibility under COPPA, while simultaneously collecting personal information from children under the age of thirteen.
- 118. In the operation of Discord's business, Defendant has violated COPPA and thereby engaged in a presumptively unlawful commercial practice in violation of the CFA, N.J.S.A. 56:8-2 and -4.

#### PRAYER FOR RELIEF

WHEREFORE, based upon the foregoing allegations, Plaintiffs respectfully request that the Court enter judgment against Discord:

- (a) Finding that Defendant's acts and practices constitute multiple instances of unlawful practices in violation of the CFA, N.J.S.A. 56:8-1 to -229;
- (b) Permanently enjoining Defendant and its owners, officers, directors, shareholders, founders, managers, members, agents, servants, employees, representatives, independent contractors, and all other persons or entities under their control, from engaging in, continuing to engage in or doing any acts or practices in violation of the CFA, N.J.S.A. 56:8-1 to -229;
- (c) Directing Defendant to pay the maximum statutory civil penalties for each and every violation of the CFA, in accordance with N.J.S.A. 56:8-13;
- (d) Directing Defendant to pay costs and fees, including attorneys' fees, for the use of the State of New Jersey, as authorized by N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19;
- (e) Directing Defendant to disgorge all profits unlawfully acquired or retained, as authorized by N.J.S.A. 56:8-8; and
- (f) Granting such other relief as the interests of justice may require.

MATTHEW J. PLATKIN ATTORNEY GENERAL OF NEW JERSEY

Attorney for Plaintiffs

Kashif T. Chand

By:

Section Chief, Data Privacy & Cybersecurity

Dated: April 17, 2025

**RULE 4:5-1 CERTIFICATION** 

I certify, to the best of my information and belief, that the matter in controversy in this action involving the aforementioned violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 to -229, is not the subject of any other action pending in any other court of this State. I further certify, to the best of my information and belief, that the matter in controversy in this action is not the subject of a pending arbitration proceeding in this State, nor is any other action or arbitration proceeding contemplated. I certify that there is no other party who should be joined in

MATTHEW J. PLATKIN ATTORNEY GENERAL OF NEW JERSEY Attorney for Plaintiffs

By:\_\_\_

Kashif T. Chand

Chief, Deputy Attorney General

Dated: April 17, 2025

this action at this time.

**RULE 1:38-7(c) CERTIFICATION OF COMPLIANCE** 

I certify that confidential personal identifiers have been redacted from documents now

submitted to the court, and will be redacted from all documents submitted in the future in

accordance with  $\underline{R}$ . 1:38-7(b).

MATTHEW J. PLATKIN

ATTORNEY GENERAL OF NEW JERSEY

Attorney for Plaintiffs

By: MW M

Kashif T. Chand

Chief, Deputy Attorney General

Dated: April 17, 2025

**DESIGNATION OF TRIAL COUNSEL** 

Pursuant to <u>R.</u> 4:25-4, Chief, Deputy Attorney Kashif T. Chand is hereby designated as trial counsel for the Plaintiffs in this action.

MATTHEW J. PLATKIN ATTORNEY GENERAL OF NEW JERSEY Attorney for Plaintiffs

11.0

Kashif T. Chand

Chief, Deputy Attorney General

Dated: April 17, 2025